

Robert Bienenfeld  
18-7-5

Chair Nichols, Vice Chair Berg and Air Resources Board members:

I am Robert Bienenfeld, Assistant Vice President, American Honda Motor Co., Inc. Thank you for the opportunity to comment on these proposed “deemed to comply” amendments. Honda supports our trade association, Global Automaker’s, comments on these amendments:

1. We urge California to work with the federal government to achieve national standards that:

- preserve a coast-to-coast, *efficient* national market for automobiles and
- achieve greater greenhouse gas reductions than could be possible through the efforts of California and the 177 states alone, and
- Preserve California’s right to regulate.

These are important outcomes from negotiated national standards.

2. We believe that adoption of these amendments is premature and unhelpful while negotiations are underway. A Board member recently told me, “we can easily change the regulations if a deal is reached,” yet this claim belies the political nature of this action. If this is a course easily reversed, then it is just as easily postponed for *a few months*. We are a country riven more by symbolism than by substance, and action today is further evidence of this.
3. We believe the amendments will have unintended consequences:
  - As proposed, it will remove the optional compliance program even if CA and the federal government reach agreement in the coming months.
  - Also, if no agreement is reached, the amendment will activate California’s long-dormant GHG regulation that is unworkable as currently written. Global has submitted testimony as to the details of these problems, which are substantial.
4. **Another option** should be considered by this Board. In the unlikely event that ARB and the federal government are unable to reach an agreement, we believe the Board should direct staff to study and develop a supplemental, voluntary program that is complementary to the existing GHG program. A supplemental program could

include flexibilities and a relaxed standard which, if followed by automakers, would have the following salutary effects:

- Maintain an efficient, national market
- Reduce more GHG than could be achieved by California and 177 states alone,
- And engage the national market in the demand for more fuel efficient, electrified vehicles.

This idea is referenced in Global Automakers' written testimony, as well.

In conclusion, Honda recommends that the Air Resources Board pursue a national agreement and delay taking action on these amendments for *a few months*. At the same time, in the unlikely event that a deal cannot be reached with the federal government, we recommend that this Board direct staff to study and propose:

- a voluntary program that, if followed by OEMs, would, in effect, maintain a national market and achieve lower overall greenhouse gas emissions than could be achieved by California and Section 177 states alone, and
- propose changes to the current GHG rule so that it could be successfully implemented.

Thank you.